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Does the U.S. Need CAFTA? Yes

By Jose Fernandez

The CAFTA accord, approved last week by the Senate, would extend NAFTA-like free trade preferences to El Salvador, Guatemala, Honduras, Nicaragua, Costa Rica and the Dominican Republic.

The House must follow the Senate's lead, paying close attention to how CAFTA would benefit America and New York. Last year, New York exported more than \$520 million worth of goods to the CAFTA countries. The U.S. government estimates that without tariff barriers, these exports could increase by \$150 million the first year and \$803 million after nine years - and increased exports translate into job growth.

Increasing economic ties with the United States is a goal shared by countries throughout the world. To that end, the United States has granted free-trade agreements to nations as diverse as Australia, Chile, Jordan, Morocco and Singapore - among others. The deal negotiated between the U.S. and the CAFTA countries is the strongest yet in support of labor standards, yet many in Congress are intent on holding our neighbors in Central America to an even higher standard. Don't they think the elected leaders of the six CAFTA nations can be trusted to make the right decisions?

Once the rhetoric of U.S. labor leaders is peeled away, little remains beyond the standard knee-jerk arguments in opposition to free trade that have become tiresome and predictable.

The presidents of the CAFTA nations have made repeated trips to the U.S. to plead the case for the free-trade agreement with Central America. We must listen to these democratically elected leaders rather than U.S. labor leaders with agendas of their own. The argument that U.S. workers will lose jobs doesn't make sense.

For more than 20 years, Central America and the Caribbean have enjoyed duty-free access to the U.S. market. If U.S. firms wanted to relocate for cheaper labor, they would already have done so - CAFTA provides zero additional incentive. If anything, leveling the playing field by reducing Central American trade barriers and increasing U.S. exports will help keep jobs here.

It's time for Congress to stop second-guessing the leaders of Central America. It's a paternalistic attitude that is unfair and insulting to our neighbors. They deserve better. CAFTA deserves to be approved.

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